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SUBJECT: Media Reaction Sao Paulo February 05 2009

Media Reaction - Global Economy: Financial market crisis; Sao Paulo
February 5, 2009

Title- Fantasy Island

Op-Ed in liberal Folha de S.Paulo (2-5) by Kenneth Maxwell says:
"....There was an old TV show called 'Fantasy Island'. Americans
who are spending their vacations on Caribbean beaches have left the
dramatic situation of their country behind, for a while. But when
they go back to Chicago, New York and Boston they are going to
confront a cold reality."

Title- Banking Crisis

Op-Ed in business oriented Valor Economico (2-5) by Marambai's CEO,
Luiz Cezar Fernandes, states: "In this transition in the U.S. from
the Bush administration to President Barack Obama, it seems that a
significant break with the past has not happened yet. For now, the
thing that is going badly, the direction of the formation of
committees and work groups - and we know very well that generally we
do not get good things out of these committees because everyone
tries to protect themselves and there is no boldness....important
banks cannot collapse. The world would not bear it.....A concrete
proposal would be to replace toxic assets from U.S. banks for long
term Treasury bonds with a zero coupon."

Title- Crisis questions options for development in Latin American

Op-Ed in business oriented Valor Economico (2-5) by economist Carlos
Eduardo Carvalho says: "The sharp deterioration in the external
context in 2008 strongly questions the different alternatives shaped
in Latin American countries in recent decades, in addition to
presenting considerable challenges to the political-economic
policies adopted in recent years. For now, the reaction of affected
countries trying to face immediate problems, without breaking with
general orientations that have been followed....If the crisis
aggravates or gives its place to a scenario of prolonged retraction
of the global economy, it is possible that economic policy reactions
become stronger and more differentiated, in the same way that the
years of bonanza gave room to distinct options of economic policy,
even in countries usually grouped under ideological clichés."
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